

6450-01-P

DEPARTMENT OF ENERGY

Western Area Power Administration

Parker-Davis Project-Rate Order No. WAPA-162

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Proposed Extension of Firm Electric and Transmission Service Formula Rates.

SUMMARY: The Western Area Power Administration (Western), a power marketing administration within the Department of Energy (DOE), is proposing to extend the existing firm electric and transmission service formula rates for the Parker-Davis Project (P-DP) through September 30, 2018. The existing Rate Schedules PD-F7, PD-FT7, PD-FCT7, and PD-NFT7 expire on September 30, 2013. This notice of proposed extension of rates is issued pursuant to 10 CFR 903.23(a). Publication of this <u>Federal Register</u> notice begins the formal process for the proposed extension of the formula rates.

DATES: A consultation and comment period will end on [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. Western will accept oral and written comments any time during the consultation and comment period. In accordance with 10 CFR 903.23(a), Western has determined it is not necessary to hold a public information or public comment forum.

ADDRESSES: Send written comments to: Mr. Darrick Moe, Regional Manager, Desert Southwest Customer Service Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, email moe@wapa.gov. Written comments may also be faxed to (602) 605-2490, attention: Jack Murray. Western will post official comments received via letter, fax, and email to its website at http://www.wapa.gov/dsw/pwrmkt/RateAdjust/Main.htm

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after the close of the comment period. Western must receive written comments by the end of the consultation and comment period to ensure they are considered in Western's decision process.

FOR FURTHER INFORMATION CONTACT: Mr. Jack Murray, Rates Manager, Desert Southwest Customer Service Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, (602) 605-2442, e-mail jmurray@wapa.gov.

SUPPLEMENTARY INFORMATION: By Delegation Order No. 00-037.00, effective December 6, 2001, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to Western's Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy, and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to the Federal Energy Regulatory Commission (FERC).

The existing rate schedules consist of separate rates for firm electric service, firm point-to-point transmission service of Salt Lake City Area/Integrated Projects power, and non-firm point-to-point transmission service on the P-DP transmission system. Rate Schedules PD-F7, PD-FT7, PD-FCT7, and PD-NFT7 were approved under Rate Order No. WAPA-138¹ for a 5-year period beginning on October 1, 2008, and ending September 30, 2013.

The existing firm electric and transmission service formula rates provide adequate revenue to pay all annual costs, including interest expense, and to repay investment within the allowable period. The rates are calculated annually to ensure repayment of the project within the cost recovery criteria set forth in DOE Order RA 6120.2.

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¹ FERC confirmed and approved the rate schedules on a final basis through delegated order on February 27, 2009, in Docket No. EF08-5041-000 (126 FERC ¶ 62,157).

Western is proposing no change at this time to the rate formulas. Since no changes are

anticipated to the formula rates and the existing rate formulas provide sufficient revenue to

recover all appropriate costs, Western proposes to extend the current rate schedules pursuant to

10 CFR 903.23(a).

All documents made or kept by Western for developing the proposed extension for the rate

schedules are available for inspection and copying at the Desert Southwest Customer Service

Regional Office, Western Area Power Administration, 615 South 43rd Avenue, Phoenix, AZ

85009-5313. These documents are also available on Western's website at:

http://www.wapa.gov/dsw/pwrmkt/RateAdjust/Main.htm.

After review of public comments, Western will take further action on the proposed extension

of formula rates consistent with 10 CFR part 903.

Dated: May 28, 2013

Mark A. Gabriel

Administrator

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